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Australian Securities Exchange Limited  
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## By e-lodgement

### PUNTLAND DRILLING UPDATE

Range Resources Limited ("**Range**" or "**the Company**") is pleased to announce that the Shabeel-1 well continues drilling ahead on the Dharoor Block in Puntland, Somalia and is currently at a depth of 2,002 meters. The upper 1,600 meters of section drilled to date includes a thick section of Tertiary limestones and shales that appear to be a regional seal as no oil or gas shows were encountered above this depth. The well is currently drilling a 400 meter section composed of interbedded sandstones and shales believed to be Upper Cretaceous in age. Most of the sandstone intervals in this section have exhibited oil and gas shows confirming the existence of a working petroleum system. Determination of the quality of the reservoir and prospectivity of any potential oil bearing intervals cannot be determined until downhole electric logs and formation tests are concluded.

The well has a planned total depth of 3,800 meters and has yet to penetrate the main reservoir targets in the Lower Cretaceous and Jurassic. It is expected that the next electrical logging run will be coincident with the running of the 9 5/8" casing at approximately 2,400 – 2,700 meters. Operations continue to run smoothly with no reported security or operational incidents.

The Joint Venture Operator, Horn Petroleum's President and CEO commented, "While we are encouraged by the hydrocarbon shows in the well, there is still a great deal of information which must be collected before we are able to properly evaluate the results to date. We look forward to reaching the main objectives and appreciate the continued support of the Puntland Government and the local residents."

The Shabeel well is targeting a large faulted anticlinal prospect and is located on a Jurassic aged rift system which is part of the same system that has proven to be highly productive in the Masila and Shabwa Basins in Yemen that contain an estimated 6 billion barrels of oil\*. It is a large faulted anticlinal prospect with the internal most likely estimates of prospective resources of over 300 million barrels of oil, with Range's attributable 20% interest being over 60 million barrels. Source rocks are expected to be rich Jurassic Kimmeridgian shales in the deep portion of the rift immediately down dip from the Shabeel prospect. Reservoirs are expected to be sandstones and carbonates of the Cretaceous and Jurassic systems analogous to Yemen.

Yours faithfully

**Peter Landau**

**Executive Director**

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**Range Background**

Range Resources Limited is a dual listed (ASX: RRS; AIM: RRL) oil & gas exploration company with oil & gas interests in the frontier state of Puntland, Somalia, the Republic of Georgia, Texas, USA and Trinidad.

- In Trinidad Range recently completed the acquisition of a 100% interest in holding companies with three onshore production licenses and fully operational drilling subsidiary. Independently assessed Proved (1P) reserves in place of 15.4 MMbbls with 19.6 MMbbls of proved, probable and possible (3P) reserves and an additional 20 MMbbls (mean) of prospective resources.
- In the Republic of Georgia, Range holds a 40% farm-in interest in onshore blocks VIa and VIb, covering approx. 7,000sq.km. Range has recently completed a 410km 2D seismic program with independent consultants RPS Energy identifying 68 potential structures containing an estimated 2 billion barrels of undiscovered oil-in-place (on a mean 100% basis) with the first (Mukhiani-1) of two exploration wells having spudded in July in 2011. Re-interpreted seismic supported by the Mukhiani-1 vertical seismic profiling has identified new fault and stratigraphic trapping potential with the possibility of a side track well to be drilled post additional seismic in 2H 2012.
- In Puntland, Range holds a 20% working interest in two licences encompassing the highly prospective Dharoor and Nugaal valleys. The operator and 60% interest holder, Horn Petroleum Corp. (TSXV: HRN) spudded the first well in a two well programme in early 2012 targeting 300mmbbls and 375mmbbls of best estimate Prospective Resources (100% basis). Site construction has commenced on the second well with the setting of the 30 inch surface casing and the drilling of a 50 meter pilot hole in readiness for spudding following the completion of the first well.
- Range holds a 25% interest in the initial Smith #1 well and a 20% interest in further wells on the North Chapman Ranch project, Texas. The project area encompasses approximately 1,680 acres in one of the most prolific oil and gas producing trends in the State of Texas. Drilling of the first well has resulted in a commercial discovery with independently assessed 3P reserves in place (on a 100% basis) of 242 Bcf of natural gas, 15 mmbbls of oil and 19 mmbbls of natural gas liquids.
- Range holds a 21.75% interest in the East Texas Cotton Valley Prospect in Red River County, Texas, USA, where the prospect's project area encompasses approximately 1,570 acres encompassing a recent oil discovery. The prospect has independently assessed 3P reserves in place (on a 100% basis) of 3.3mmbbls of oil.

*The reserves estimates for the 3 Trinidad blocks and update reserves estimates for the North Chapman Ranch Project and East Texas Cotton Valley referred above have been formulated by Forrest A. Garb & Associates, Inc. (FGA). FGA is an international petroleum engineering and geologic consulting firm staffed by experienced engineers and geologists. Collectively FGA staff has more than a century of world-wide experience. FGA have consented in writing to the reference to them in this announcement and to the estimates of oil and natural gas liquids provided. The definitions for oil and gas reserves are in accordance with SEC Regulation S-X and in accordance with the guidelines of the Society of Petroleum Engineers ("SPE"). The SPE Reserve definitions can be found on the SPE website at [spe.org](http://spe.org).*

*RPS Group is an International Petroleum Consulting Firm with offices worldwide, who specialise in the evaluation of resources, and have consented to the information with regards to the Company's Georgian interests in the form and context that they appear. These estimates were formulated in accordance with the guidelines of the Society of Petroleum Engineers ("SPE").*

*The prospective resource estimates for the two Dharoor Valley prospects are internal estimates reported by Horn Petroleum Corp, the operator of the joint venture, which are based on volumetric and related assessments by Gaffney, Cline & Associates.*

*In granting its consent to the public disclosure of this press release with respect to the Company's Trinidad operations, Petrotrin makes no representation or warranty as to the adequacy or accuracy of its contents and disclaims any liability that may arise because of reliance on it.*

***SPE Definitions for Proved, Probable, Possible Reserves and Prospective Resources***

***Proved Reserves*** are those quantities of petroleum, which by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be commercially recoverable, from a given date forward, from known reservoirs and under defined economic conditions, operating methods, and government regulations.

***Probable Reserves*** are those additional Reserves which analysis of geoscience and engineering data indicate are less likely to be recovered than Proved Reserves but more certain to be recovered than Possible Reserves.

***Possible Reserves*** are those additional reserves which analysis of geoscience and engineering data indicate are less likely to be recoverable than Probable Reserves.

***Prospective Resources*** are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects. Prospective Resources have both an associated chance of discovery and a chance of development. Prospective Resources are further subdivided in accordance with the level of certainty associated with recoverable estimates assuming their discovery and development and may be sub-classified based on project maturity.